

Message Text

CONFIDENTIAL

PAGE 01 DACCA 05407 01 OF 02 131016Z

11

ACTION NEA-12

INFO OCT-01 EUR-25 EA-11 ISO-00 CIAE-00 DODE-00 PM-07 H-03

INR-10 L-03 NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03

SS-20 USIA-15 ACDA-19 IO-14 EB-11 COME-00 TRSE-00

OMB-01 AGR-20 AID-20 DRC-01 /212 W

----- 119008

R 130230Z DEC 73

FM AMEMBASSY DACCA

TO SECSTATE WASHDC 1635

INFO AMCONSUL CALCUTTA

AMEMBASSY ISLAMABAD

AMEMBASSY KATHMANDU

AMEMBASSY LONDON

AMEMBASSY NEW DELHI

AMEMBASSY RANGOON

CINCPAC

C O N F I D E N T I A L SECTION 1 OF 2 DACCA 5407

CINCPAC FOR POLAD

E.O. 11652: GDS

TAGS: EGEN, PDEV, PINT, PFOR, BG

SUBJECT: BANGLADESH TWO YEARS AFTER--FUTURE PROSPECTS

REF: DACCA 5403

1. POLITICAL-DETERIORATING ECONOMIC AND SOCIAL SITUATION IN BD HAS LED TO WIDESPREAD MALAISE AMONG POPULACE AND DISTINCT DIS-AFFECTION WITH GOVERNMENT IN URBAN AREAS, PARTICULARLY IN MIDDLE CLASS. THERE HAS BEEN SERIOUS DECLINE, IF NOT A DISCREDITING, OF AL AND TO LESSER DEGREE IMAGE OF MUJIB AS EFFECTIVE POLITICAL LEADER. AT SAME TIME FACTIONALISM WITHIN AL HAS INCREASED AND OPPOSITION HAS GROWN. AL COUNTER-MOVE OF A UNITED FRONT HAS NOT YET PROVED EFFECTIVE.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 DACCA 05407 01 OF 02 131016Z

2. IN SHORT TERM, FACTIONALISM WITHIN AL CAN BE CONTAINED BY MUJIB'S CONTINUED MANIPULATION: CABINET CHANGES, ADVANCING DIRSONCL FAVORITES, AND ASSUAGING FACTIONAL AWAMI LEAGUERS TEMPORARILY IN ECLIPSE. DESPITE REVIVED RUMORS OF BREAKUP OF AL, THERE APPEARS TO BE LITTLE THAT ANY FACTION COULD GAIN BY SPLIT AT THIS TIME. LEFT WING IS STILL PROPONENT OF THE SOCIALISM TO WHICH MUJIB *AS COMMITTED HIMSDMF, AND HAS POSSIBLY GAINED SOME STRENGTH FROM THE "UNITED FRONT" WITH NAP/MUSAFFAR AND COMMUNIST PARTY BD. SPLIT BY RIGHT WING WOULD LEAVE CONTROL OF GOVERNMENT TO LEFTISTS. RIGHT WINGERS AND MODERATES HAVE FEW ALLIES OUTSIDE THE PARTY WITH WHOM TO JOIN FORCES UNTIL SUCH TIME AS ELEMENTS FORMERLY CHARGED WITH PAK COLLABORATION ARE ABLE TO REENTER BODY POLITIC. TREND OF ORGANIZED POLITICS IN BDNUONTINUES TO SHIFT LEFTWARD.

3. AMONG OPPOSITION FIGURES BHASHANI IS THE ONLY ONE OF NATIONAL STATURE AND HE LACKS EFFECTIVE POLITICAL ORGANIZATION. JSD REPRESENTS NEW CREATION OUT OF AWAMI LEAGUE; THOUGH SILENT NOW, JSD HAS ARTICULATED THE DISCONTENT THAT IS ABROAD IN LAND, BUT ITS FOLLOWING IS BASED MORE ON AGREEMENT WITH WHAT JSD IS "AGAINST" RATHER THAN MOBILIZATION TO ACHIEVE WHAT IT IS "FOR". SMALL EXTREMIST/REVOLUTIONARY GROUPS HAVETANCREASED TERRORIST ATTACKS ON THE ESTABLISHMENTGM THEY ARE BECOMING A SERIOUS PROBLEM BUT HAVE YET TO ACHIEVE UNITY AMONG THEMSELVES.

4. IN MIDDLE TERM, OUTRIGHT BREAK IN AL LIKELY TO COME ONLY WHEN AL POLITICIANS PERCEIVE THAT MUJIB HAS BECOME LIABILITY RATHER THAN ASSET AND STRIKE OUT ON THEIR OWN TO ESTABLISH CREDENTIALS WITH PEOPLE FOR FUTURE RULE. SHOULD MUJIB DEPART SCENE BEFORE SUCH A BREAK, AN INTERIM COALITION OF AL FACTIONS POSSIBLY WOULD CONTINUE FOR WHILE, BUT THERE APPEARS TO BE NO PARTY LEADER WHO COULD COMMAND SUFFICIENT ALLEGIANCE FOR LONG. ANY BREAKUPS MIGHT COME BETWEEN LEFT AND RIGHT OR ALONG GENERATIONAL LINES.

5. IF AL REPUTATSBN-AND MUJIB'S-CONTINUES ITS DECLINE, AN OPPOSITION LEADER MIGHT EMERGE BUT NONE IS VISIBLE NOW. WE DISCOUNT POSSIBILITY AT THIS TIME OF ANY ATTEMPT OF MILITARY TAKEOVER, ALTHOUGH THE ARMED FORCES MAY BECOME MORE POLITICIZED, AS POSSIBLY WILL CIVIL SERVICE.

6. ECONOMIC-GREATEST FAILURE OF REGIME TO DATE HAS BEEN IN SOCIALISM, CONFIDENTIAL

CONFIDENTIAL

PAGE 03 DACCA 05407 01 OF 02 131016Z

IN EFFECTIVE ORGANIZATION OF ECONOMIC FORCES. THIS FAILURE HAS CONTRIBUTED TO MOUNTING FRUSTRATION IN COUNTRYSIDE, POLITICAL EXTRSXISM, AND DETERIORATION OF LAW AND ORDER SITUATION. UPON PROGRESS HERE DEPENDS CONTINUED ACCEPTABILITY OF AL REGIME AND MUJIB. INCREASINGLY, THERE IS RECOGNITION THAT REGIME MUST PRODUCE FOR PEOPLE--AN AWARENESS THAT NAVORS PROGRAMS OF THE PRAGMATISTS OVER THOSE OF THE IDEOLOGUES WITHIN AL.

7. NEW FIVE YEAR PLAN REFLECTS DIVISIONS IN REGIME BUT AT LEAST HAS BEEN THRASHED OUT. IT LAYS FRAMEWORK FOR DEVELOPMENT, FULLY COGNIZANT OF PAST FAILURES IN IMPLEMENTING PROGRAMS. MISTAKES COMMITTED IN EXTENSION OF STATE CONTROL OF TRADE ALSO APPEAR TO HAVE BEEN EDUCATIVE AND MAY LEAD TO LIBERALIZATION OF IMPORT POLICY AND PROGRESSIVE TRANSFER OF PROCUREMENT AUTHORITY FROM TRADING CORP. OF BANGLADESH TO INDUSTRIAL END-USERS. FOREIGN EXCHANGE AND FOREIGN-AID RESOURCES HAVE IN PAST BEEN MOBILIZED FOR FOODGRAIN IMPORTS. BDG BEGINNING TO RECOGNIZE NEED FOR DIVERSION TO NONFOOD IMPORTS PARTICULARLY INTERMEDIATES AND DEVELOPMENT GOODS TO BUILD UP FOOD PRODUCTION AND DISTRIBUTION IN-COUNTRY. SIMILARLY, NATIONALIZATION OF INDUSTRY IS UNDERGOING RIGOROUS EVALUATION WHICH MAY LEAD TO REFORM, GRANTING GREATER AUTHORITY TO INDIVIDUAL UNITS. COOPERATIVIZATION OF AGRICULTURE STILL SUBJECT TO DEBATE BUT POTENTIAL APPEARS TO EXIST FOR PROGRESS.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 DACCA 05407 02 OF 02 130804Z

12

ACTION NEA-12

INFO OCT-01 EUR-25 EA-11 ISO-00 CIAE-00 DODE-00 PM-07 H-03

INR-10 L-03 NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03

SS-20 USIA-15 ACDA-19 IO-14 EB-11 COME-00 TRSE-00

OMB-01 AGR-20 AID-20 DRC-01 /212 W

----- 117982

R 130230Z DEC 73

FM AMEMBASSY DACCA

TO SECSTATE WASHDC 1636

INFO AMCONSUL CALCUTTA

AMEMBASSY ISLAMABAD

AMEMBASSY KATHMANDU

AMEMBASSY LONDON

AMEMBASSY NEW DELHI

AMEMBASSY RANGOON

CINCPAC

C O N F I D E N T I A L SECTION 2 OF 2 DACCA 5407

CINCPAC FOR POLAD

8. AS ECONOMY WAS HELPED TO GET THROUGH PAST YEAR BY FAVORABLE CROP CONDITIONS, SO IT WILL BE DEPENDENT IN COMING YEAR. AS ECONOMIC-POLITICAL REQUIREMENTS INCREASE, WILL ALSO DEPEND ON MORE EFFECTIVE ORGANIZATION OF AGRICULTURAL INPUTS AND DISTRIBUTION OF OUTPUT. BANGLADESH IS RECOGNIZING IT CANNOT CONTINUE TO LEAN ON FOREIGN RELIEF AID; IT MUST HELP ITSELF. DOMESTIC RICE PROCUREMENT DRIVE--THOUGH IT STARTED LATE, IS NOT TOO WELL ORGANIZED AND MAY PROVE A FAILURE IN INITIAL YEAR--WAS NECESSARY FIRST STEP. OTHER STEPS SHOULD FOLLOW, AND OUTLOOK FOR ECONOMY NOT ENTIRELY BLEAK.

9. FOREIGN RELATIONS-OUTLOOK INTERNATIONALLY SOMEWHAT LESS PROBLEMATIC THAN THAT DOMESTICALLY. BANGLADESH HAS GAINED GENERAL ACCEPTANCE AMONG FAMILY OF NATIONS EXCEPT FROM PAKISTAN AND PRC. RECONCILIATION WITH PAKISTAN, FOLLOWED BY RECOGNITION BY PRC AND ENTRY INTO UN WOULD FINALLY SEAL BD REVOLUTION. BDG, BY ITS CONFIDENTIAL

CONFIDENTIAL

PAGE 02 DACCA 05407 02 OF 02 130804Z

SESSIONS IQADELBI AGREEMENT AND ITS DESIRE TO INITIATE TALKS WITH PAKISTAN, APPEARS TO BE TRYING TO ACHIEVE THIS END. CLEMENCY EXTENDED COLLABORATORS IN COUNTRY MAY BE SIGNAL TO PAKISTAN OF DESIRE TO RESOLVE POW ISSUE, THE FINAL MAJOR STUMBLING BLOCK.

10. IF PAKISTANI RECOGNITION CAN THUS BE ACHIEVED, TWO IMPORTANT BENEFITS MAY FLOW: 1) TRADE MAY BE RESUMED WITH AN AREA WITH WHICH, DURING PRE-LIBERATION PERIOD, CONSIDERABLE ECONOMIC COMPLEMENTARITY HAD EVOLVED. 2) TO EXTENT SUCH TRADE WITH PAKISTAN RELIEVES BANGLADESH'S CURRENT DEPENDENCE ON INDIA AS A MARKET AND SOURCE OF SUPPLY, PROSPECTS IMPROVE FOR A REDUCTION OF SMALL-COUNTRY OBSESSIONS ABOUT A HUGE NEIGHBOR. IRONICALLY, NORMALIZATION OF TRADE WITH PAKISTAN COULD LEAD BANGLADESH INTO AN ECONOMIC RELATIONSHIP OF CLOSER EQUALITY WITH INDIA. PERHAPS THEN IT WILL NOT BE TOO MUCH TO FORESEE A MORE EFFECTIVE RESOURCE TRANSFER FROM INDIA IN THE EXPANSION OF LEGAL TRADE BEYOND STATE-TO-STATE CHANNELS AND POSSIBLY EVEN PRIVATE INVESTMENT BY INDIANS WITH BANGLADESH PUBLIC SECTOR.

1. BDG WILL REMAIN IN SOCIALIST CAMP, CLOSELY FOLLOW "THIRD WORLD" POLITICS, AND CONTINUE TO DEVELOP ITS TIES WITH BLOC COUNTRIES. A CHINESE PRESENCE, HOWEVER, WILL COMPLICATE BDG'S SIMPLISTIC ADHERENCE TO SOCIALIST, ANTI-IMPERIALIST SPHERE AND FORCE IT TO REASSESS ITS TIES WITH USSR. DESPITE PREDICTABLE STAND THAT BDG WILL TAKE ON INTERNATIONAL ISSUES, BD WILL CONTINUE TO FOSTER GOOD RELATIONS WITH US, OTHER WESTERN COUNTRIES, AND JAPAN BECAUSE OF GREAT NEED FOR ECONOMIC ASSISTANCE.

12. LONGER RANGE PROSPECTS-IMPROVEMENT OF REGIONAL RELATIONSHIPS AND THE DEVELOPMENT OF INTER-REGIONAL TRADE AND COOPERATION COULD HELP ENLARGE EXTERNAL RESOURCE TRANSFER AND PROVIDE ECONOMIC MARGIN NECESSARY TO ENABLE BD SUCCESSFULLY TO COPE WITH WHAT IS BASIC PROBLEM HERE AS IN OTHER DEVELOPING AREAS. THAT PROBLEM OF COURSE IS SOARING POPULATION GROWTH, UNDETERRED AS IT WAS IN PAST BY WAR

AND NATURAL CATASTROPHE, AND THE PRESSURE THAT POPULATION GROWTH PUTS ON DOMESTIC AND AVAILABLE FOREIGN RESOURCES. SO FAR, POPULATION STILL LARGELY DISTRIBUTED OVER COUNTRYSIDE. BD HASNBEEN FORTUNATE THAT URBAN AGGREGATION HAS NOT YET OCCURRED AND BD HAS NO CALCUTTA. WITH A POPULATION THAT EVEN WITH EFFECTIVE FAMILY PLANNING PROGRAM WILL REACH 150 MILLION BY YEAR 2000, BANGLADESH COULD END UP WITH NOT ONE BUT SEVERAL CALCUTTAS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 DACCA 05407 02 OF 02 130804Z

13. FOR LONG-TERM AS WELL AS SHORT TERM REASONS, THEREFORE, MUJIB REGIME MUST MOVE TO MEET ACCELERATING RISE OF EXPECTATION (AND FRUSTRATION) WHICH, BECAUSE OF POPULATION GROWTH, IS REACHING A CRITICAL MASS. MUJIB MAY HAVE A BIT MORE THAN ONE YEAR OF GRACE, BUT NOT MUCH BEYOND THAT.

NEWBERRY

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLITICAL STABILITY, AGRICULTURAL PRODUCTION, ECONOMIC CONDITIONS, SOCIAL CHANGE, POLITICAL PARTIES
Control Number: n/a
Copy: SINGLE
Draft Date: 13 DEC 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: kelleyw0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973DACCA05407
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: n/a
From: DACCA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731227/aaaaatww.tel
Line Count: 243
Locator: TEXT ON-LINE
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: DACCA 5403
Review Action: RELEASED, APPROVED
Review Authority: kelleyw0
Review Comment: n/a
Review Content Flags:
Review Date: 23 OCT 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23-Oct-2001 by shawdg>; APPROVED <29-Oct-2001 by kelleyw0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BANGLADESH TWO YEARS AFTER--FUTURE PROSPECTS
TAGS: EGEN, PDEV, PINT, PFOR, BG
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005